

Exhibit 3

ORIGINAL

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MAY - 5 2004

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NORTHERN DISTRICT OF CALIFORNIA

11 Attorneys for Defendant and Counterclaimant,
12 MICROSOFT CORPORATION

13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 OAKLAND DIVISION

16
17 INTERTRUST TECHNOLOGIES
CORPORATION, a Delaware corporation,

18 Plaintiff,

19 v.

20 MICROSOFT CORPORATION, a
21 Washington corporation,

22 Defendant.

23 AND RELATED CROSS-ACTION.
24
25
26
27
28

Case No. C 01-1640 SBA (MEJ)
Consolidated with C 02-0647 SBA (MEJ)

JOINT STIPULATION OF
DISMISSAL WITH PREJUDICE

DOCSSV1265362.1
9843-6501

JOINT STIPULATION OF DISMISSAL WITH
PREJUDICE C 01-1640 SBA (MEJ)

1 WHEREAS the Parties have resolved their dispute;

2 IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff
3 InterTrust Technologies Corporation and Defendant and Counterclaimant Microsoft Corporation
4 by and through their respective undersigned counsel, and pursuant to Federal Rules of Civil
5 Procedure 41(a)(1)(ii) and 41(c), that the above-captioned matter be dismissed in its entirety with
6 prejudice, with each side bearing its own costs and attorney's fees.

7
8
9
10 Dated: 5/5/04

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Eric L. Wesenberg
Attorneys for Defendant and Counterclaimant
MICROSOFT CORPORATION

11
12
13
14
15 Dated: 5/5/04

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Michael H. Page
Attorneys for Plaintiff and Counterdefendant
INTERTRUST TECHNOLOGIES CORP.

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21 PURSUANT TO STIPULATION, IT IS SO ORDERED.

22 Dated: 5-6-04

Hon. Sandra Brown Armstrong
United States District Judge

DECLARATION OF SERVICE VIA ELECTRONIC MAIL AND U.S. MAIL

I am more than eighteen years old and not a party to this action. My place of employment and business address is 1000 Marsh Road, Menlo Park, California 94025.

On May 10, 2004, I served:

JOINT STIPULATION OF DISMISSAL WITH PREJUDICE

By transmitting a copy of the above-listed document(s) in PDF form via electronic mail Michael H. Page at mhp@kvn.com, Doug Derwin at doug.derwin@derwin.com, dderwin@intertrust.com; James E. Geringer at james.geringer@klarquist.com and Michael Lyons at mlyons@morganlewis.com and also by placing true and correct copies of the above documents in an envelope addressed to:

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Attorneys for Defendant and Counterclaimant,
MICROSOFT CORPORATION

and sealing the envelope, affixing adequate first-class postage and depositing it in the U.S. mail at Menlo Park, California.

Executed on May 10, 2004 at Menlo Park, California.

I declare under penalty of perjury that the foregoing is true and correct.

ANNA FREDDIE

DOCSSVI:189299.1

DECLARATION OF SERVICE VIA ELECTRONIC MAIL AND
U.S. MAIL - CASE NO. C 01-1640 SBA (MEJ)

Exhibit 4

INTERTRUST

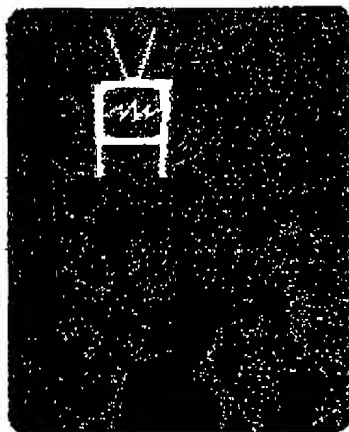
overview

Intellectual property

licensing

research & development

news

:: news

press releases

in the news

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Press Release**Microsoft and InterTrust Settle Outstanding Litigation and License Intellectual Property**

Redmond, WA, and Santa Clara, CA, April 12, 2004 - Microsoft Corporation and InterTrust Technologies Corporation announced today that Microsoft has taken a comprehensive license to InterTrust's patent portfolio for a one-time payment of \$440 million.

The agreement resolves all outstanding litigation between the two companies. In addition, InterTrust receives rights under Microsoft patents to design and publish InterTrust reference technology specifications related to DRM (Digital Rights Management) and security. Microsoft and InterTrust believe this agreement will accelerate adoption and development of DRM technologies.

"Licensing InterTrust's patent portfolio reaffirms Microsoft's commitment to the importance of intellectual property rights as well as our commitment to our end-user customers to stand behind our products in these emerging technology areas," said Marshall Phelps, deputy general counsel and corporate vice president of intellectual property at Microsoft. "One of our goals with this and our broader IP licensing program is to provide peace of mind for our customers and partners by letting them know that patent licensing is our responsibility. Doing an effective job at managing the IP in our software differentiates our products and builds confidence that Microsoft has the rights necessary to build innovative solutions." "Today's announcement validates InterTrust's intellectual property portfolio as seminal to advancing DRM and trusted computing in the marketplace," said Talal Shamoon, chief executive officer of InterTrust. "InterTrust will continue to help drive the adoption of these important technologies through our inventions, licensing programs and reference technologies, and we expect to develop a thriving licensing business going forward."

The settlement agreement ensures that Microsoft's end user customers can use Microsoft products and services as they are intended to be used without requiring a license from InterTrust. In addition, software developers who build products using Microsoft platform technology will not require an InterTrust license for normal and expected uses of the Microsoft technology. However, developers, including system integrators, may need a license from InterTrust for other uses of Microsoft technology, including cases in which Microsoft technology is combined with third party technology. Information about licensing terms, questions about whether a license is needed, and documents needed to license InterTrust technology can be found in licensing. Third-party software developers can also obtain information from Microsoft at www.microsoft.com/presspass.

"DRM solutions are essential to secure valuable personal, business, and commercial content in a massively connected world," said Will Poole, senior vice president of the Windows client business at Microsoft. "With our existing technology and IP portfolio combined with our new agreement with InterTrust, Microsoft is committed to working with the broader industry to accelerate the promotion of DRM standards and solutions. Microsoft and our partners are delivering the most powerful and flexible rights management solutions in the industry, while assuring customers that we have the IP necessary to secure our products."

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About InterTrust Technologies Corporation

InterTrust is an independent, privately held company located in Silicon Valley. The Company was founded in 1990 and was publicly traded from 1999 to early 2003 when it merged with a joint venture owned by Sony, Philips, and Stephens Bank. The Company holds 30 U.S. patents and has over 100 patent applications pending worldwide. InterTrust's patent portfolio covers software and hardware techniques that can be implemented in a broad range of products that use DRM and trusted computing technologies, including computer operating systems, digital media platforms, web services, and enterprise infrastructure. InterTrust has research, engineering, and IP groups focused on developing and monetizing next-generation technologies and inventions.

About Microsoft Inc.

Founded in 1975, Microsoft (Nasdaq "MSFT") is the worldwide leader in software, services, and solutions that help people and businesses realize their full potential.

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Media Contacts

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Note to editors: Additional information on InterTrust and Microsoft can be found at the following websites. For InterTrust, please visit other pages of this website. For Microsoft, please visit the Microsoft web page at <http://www.microsoft.com/presspass/> on Microsoft's corporate information pages. Web links, telephone numbers, and titles were correct at time of publication, but may since have changed. For additional assistance, journalists and analysts may contact Microsoft's and/or InterTrust's Rapid Response Teams respectively or other appropriate contacts listed at <http://www.microsoft.com/presspass/contactpr.asp>.

...back to index

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